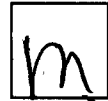


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-04254A



Montezuma Rimrock Water Company LLC

P.O. Box 10

Rimrock, AZ 86335

RECEIVED

APR 14 2006

Z Corporation Commission
Director of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2005
----	----	------

entered
4-14-06
RF

FOR COMMISSION USE

ANN04	05
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COMPANY INFORMATION

Company Name (Business Name) _____ Montezuma Rimrock Water Company LLC _____

Mailing Address _____ 4599 E. Goldmine Rd. _____
(Street)

_____ **Rimrock,** _____ **AZ** _____ **86335** _____
(City) (State) (Zip)

_____ **928-592-9211** _____ **928-226-0278** _____ **928-300-3291** _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address _____ **P.O. Box 10** _____
(Street)

_____ **Rimrock,** _____ **AZ** _____ **86335** _____
(City) (State) (Zip)

_____ **same as above** _____
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: _____ **Patricia D. Olsen** _____ **Manager** _____
(Name) (Title)

_____ **2126 S. Tombaugh Way** _____ **Flagstaff** _____ **AZ** _____ **86335** _____
(Street) (City) (State) (Zip)

_____ **928-592-9211** _____ **928-226-0278** _____ **928-300-3291** _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: _____ **Patricia Olsen** _____
(Name)

_____ **2126 S. Tombaugh Way** _____ **Flagstaff,** _____ **AZ** _____ **86001** _____
(Street) (City) (State) (Zip)

_____ Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

X Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☒ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☒ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

MONTEZUMA RIMROCK WATER CO, LLC

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	0	0	0
302	Franchises	0	0	0
303	Land and Land Rights	9,259	0	9,259
304	Structures and Improvements	8082	404	7678
307	Wells and Springs	6529	326	6203
311	Pumping Equipment	14,864	743	14,121
320	Water Treatment Equipment	1531	77	1455
330	Distribution Reservoirs and Standpipes	7162	358	6804
331	Transmission and Distribution Mains	41,969	2098	39871
333	Services	4336	217	4119
334	Meters and Meter Installations	11304	565	10739
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	1741	87	1654
340	Office Furniture and Equipment	589	29	560
341	Transportation Equipment	12000	1200	10800
343	Tools, Shop and Garage Equipment	3804	190	3613
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	1399	70	1329
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	TOTALS	124,570	6,366	118,204

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

MONTEZUMA RIMROCK WATER CO., LLC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	0	0	0
302	Franchises	0	0	0
303	Land and Land Rights	9259	0	0
304	Structures and Improvements	8082	5%	404
307	Wells and Springs	6529	5%	326
311	Pumping Equipment	14864	5%	743
320	Water Treatment Equipment	1531	5%	77
330	Distribution Reservoirs and Standpipes	7162	5%	358
331	Transmission and Distribution Mains	41969	5%	2098
333	Services	4336	5%	217
334	Meters and Meter Installations	11304	5%	565
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	1741	5%	87
340	Office Furniture and Equipment	589	5%	29
341	Transportation Equipment	12000	10%	1200
343	Tools, Shop and Garage Equipment	3804	5%	190
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	1399	5%	70
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	TOTALS	124,570		6366

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

USED MID-YEAR CONVENTION, 10 YEAR LIFE
ANNUAL RATE IS 10%, EXCEPT FOR
ACCT# 341 = 20% AND 5 YEAR LIFE

COMPANY NAME MONTEZUMA RIMROCK WATER CO, LLC

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 0	\$ 671
134	Working Funds	0	40845
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	0	0
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	377
162	Prepayments	0	
174	Miscellaneous Current and Accrued Assets	0	
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 0	\$ 41893
	FIXED ASSETS		
101	Utility Plant in Service	\$ 0	\$ 123,981
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant	0	(6,336)
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 0	\$ 118204
	TOTAL ASSETS	\$ 0	\$ 160097

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME *MONTEZUMA RIMROCK WATER CO, LLC*

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 0	\$
232	Notes Payable (Current Portion)	0	
234	Notes/Accounts Payable to Associated Companies	0	
235	Customer Deposits	0	2,230
236	Accrued Taxes	0	
237	Accrued Interest	0	
241	Miscellaneous Current and Accrued Liabilities	0	
	TOTAL CURRENT LIABILITIES	\$ 0	\$ 2,230
	LONG-TERM DEBT (Over 12 Months)	0	
224	Long-Term Notes and Bonds	\$ 0	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$
252	Advances in Aid of Construction	0	7,800
255	Accumulated Deferred Investment Tax Credits	0	
271	Contributions in Aid of Construction	0	42,000
272	Less: Amortization of Contributions	0	
281	Accumulated Deferred Income Tax	0	
	TOTAL DEFERRED CREDITS	\$ 0	\$ 49,800
	TOTAL LIABILITIES	\$ 0	\$ 52,030
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$
211	Paid in Capital in Excess of Par Value	0	
215	Retained Earnings	0	<9436>
218	Proprietary Capital (Sole Props and Partnerships)	0	117,503
	TOTAL CAPITAL	\$ 0	\$ 108,067
	TOTAL LIABILITIES AND CAPITAL	\$ 0	\$ 160,097

COMPANY NAME MONTEZUMA RIMROCK WATER CO., LLC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 0	\$
460	Unmetered Water Revenue	0	47,982
474	Other Water Revenues	0	2,304
	TOTAL REVENUES	\$ 0	\$ 50,286
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water	0	0
615	Purchased Power	0	2909
618	Chemicals	0	211
620	Repairs and Maintenance	0	25131
621	Office Supplies and Expense	0	3589
630	Outside Services	0	3615
635	Water Testing	0	550
641	Rents	0	0
650	Transportation Expenses	0	5028
657	Insurance – General Liability	0	3390
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense – Rate Case	0	0
675	Miscellaneous Expense	0	2634
403	Depreciation Expense	0	6346
408	Taxes Other Than Income	0	0
408.11	Property Taxes	0	6326
409	Income Tax	0	
	TOTAL OPERATING EXPENSES	\$ 0	\$ 59749
	OPERATING INCOME/(LOSS)	\$ 0	\$ (9463)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 27
421	Non-Utility Income	0	
426	Miscellaneous Non-Utility Expenses	0	
427	Interest Expense	0	
	TOTAL OTHER INCOME/(EXPENSE)	\$ 0	\$ 27
	NET INCOME/(LOSS)	\$ 0	\$ (9436)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	<u>\$ 8883.71</u>
Meter Deposits Refunded During the Test Year	<u>\$ 0</u>

COMPANY NAME: Montezuma Rimrock Water Company LLC

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-202458	3	15	350	4	2	2004
55-621604	0	0	350	4	0	1976
55-621605	5	55		6	2	1994

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	3	3	
5.0	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	2	2000	2

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	<u>157</u>
3/4	<u>2</u>
1	<u>1</u>
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

_____ 2 hypochlorinators

STRUCTURES:

OTHER:

COMPANY NAME: Montezuma Rimrock Water Company LLC

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY			
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY	139	1,270,326	1,183,500
AUGUST	143	1,061,004	1,116,400
SEPTEMBER	155	888,962	966,600
OCTOBER	157	992,525	1,016,500
NOVEMBER	158	786,629	810,000
DECEMBER	160	848,490	855,600
TOTAL			5,948,600

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. ____33, 35____mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME MUNTEZUMA RIMROCK WATER CO., LLC YEAR ENDING 12/31/2005

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 6,326

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED
APR 14 2006
Z Corporation Commission
Director of Utilities

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) Yavapai
NAME (OWNER OR OFFICIAL) TITLE Patricia D. Olsen, Manager
COMPANY NAME Montezuma Rimrock Water Company LLC

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



SIGNATURE OF OWNER OR OFFICIAL

928-300-3291

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

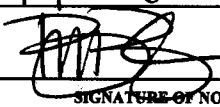
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12th DAY OF April

COUNTY NAME <u>Cocconino</u>
MONTH <u>April</u> YEAR <u>2006</u>

NOTARY PUBLIC - STATE OF ARIZONA
COCONINO COUNTY
BERNICE TUNNEY
MY COMMISSION EXPIRES 07/27/07





SIGNATURE OF NOTARY PUBLIC

COMPANY NAME MONTEZUMA RIMROCK WATER CO, LLC YEAR ENDING 12/31/2005

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4/12/06
DATE

Patricia D. Olsen
PRINTED NAME

Manager
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

APR 14 2006

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Yavapai
NAME (OWNER OR OFFICIAL) TITLE
Patricia D. Olsen, Manager
COMPANY NAME
Montezuma Rimrock Water Company LLC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

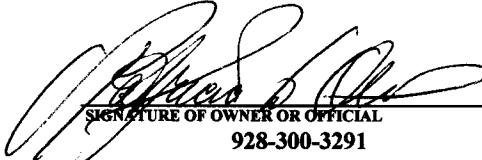
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 50,286.14

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 4,323.04
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL
928-300-3291

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12th DAY OF

OFFICIAL SEAL



BERNICE TUNNEY
NOTARY PUBLIC - STATE OF ARIZONA
COCONINO COUNTY

MY COMMISSION EXPIRES July 27, 2007

COUNTY NAME
<u>Coconino</u>
MONTH
<u>April</u>
YEAR
<u>2006</u>



SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

APR 14 2006

Z Corporation Commission
Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 50,286.14

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 4,325.04
IN SALES TAXES BILLED, OR COLLECTED)**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

928-300-3291
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12th **DAY OF**

**OFFICIAL SEAL
(SEAL) BERNICE TUNNEY
NOTARY PUBLIC - STATE OF ARIZONA
MY COMMISSION EXPIRES 7/07
My commission expires July 27, 2007.**

NOTARY PUBLIC NAME Bernice Tunney	
COUNTY NAME Coconino	
MONTH April	YEAR 2006

X


SIGNATURE OF NOTARY PUBLIC